

NCNB Leasing Corporation
P.O. Box 120
Charlotte, NC 28255
Telephone 704 | 374-5269



RECORDATION NO. **9308** Filed & Recorded

APR 6 1978 - 9 25 AM

8-096A012

March 29, 1978

INTERSTATE COMMERCE COMMISSION

APR 6 1978

Secretary
Interstate Commerce Commission
12th and Constitutional Avenues, N. W.
Washington, D. C. 20423

date 50
cc Washington, D. C.

Dear Sir:

We request that the following document be recorded pursuant to the provisions of Section 20C of the Interstate Commerce Act:

Master Lease and Attachments (total of eight (8) pages) dated March 29, 1978 between;

Lessor: NCNB Leasing Corporation
Post Office Box 120
Charlotte, North Carolina 28255

Lessee: Aberdeen and Rockfish Railroad Company
Post Office Box 917
Aberdeen, North Carolina 28315

Equipment Description:

Twenty-four (24) 77 Ton 50 ft. 6 in. Rigid Underframe Single Sheathed Box Cars with 10 ft. Sliding Doors. Road #'s AR1025 thru AR1048 inclusive.

A check for the \$50.00 recordation fee is enclosed. Please return one copy of the document showing the recording data to James C. Carlisle, NCNB Leasing Corporation, P. O. Box 120, Charlotte, N. C. 28255.

Sincerely,

NCNB LEASING CORPORATION

James C. Carlisle

James C. Carlisle
Senior Vice President

JCC/1a
enc.

CERTIFICATION UNIT

APR 6 9 38 AM '78

RECEIVED

INTERSTATE
COMMERCE COMMISSION
RECEIVED

OA MAR 31 1978
ADMINISTRATIVE SERVICES
MAIL UNIT

Interstate Commerce Commission
Washington, D.C. 20423

4/6/78

OFFICE OF THE SECRETARY

James C. Carlisle
Senior Vice Pres.
NCNB Leasing Corp
P.O.Box 120
Charlotte, N.C.

Dear Sir;

The enclosed document(s) was recorded pursuant to the
provisions of Section 20(c) of the Interstate Commerce Act,
49 U.S.C. 20(c), on 4/6/78 at 9:35am
and assigned recordation number(s) 9308

Sincerely yours,

H.G. Homme, Jr.,
Acting Secretary

Enclosure(s)

SE-30-T
(2/78)

MASTER LEASE

THIS LEASE, made this 29th day of March, 1978, by and between NCNB Leasing Corporation, with its main office located at Charlotte, North Carolina, hereinafter called "lessor," and

Aberdeen and Rockfish Railroad Company
Post Office Box 917
Aberdeen, North Carolina 28315

RECORDATION NO. 308 Filed & Recorded

APR 6 1978 -9 55 AM

hereinafter called "lessee",

WITNESSETH:

INTERSTATE COMMERCE COMMISSION

For and in consideration of the mutual covenants and promises hereinafter set forth, the parties hereto agree as follows:

1. **Lease.** Lessor hereby leases to lessee, and lessee hereby leases and hires from lessor, all machinery, equipment and other property described in (a) the schedule executed by the parties concurrently herewith or hereafter and made a part hereof, and (b) any schedule or schedules hereafter executed by the parties hereto and made a part hereof. All said machinery, equipment and other property described in all said schedules is hereinafter collectively called "equipment"; and all said schedules is hereinafter collectively called "schedule".

2. **Term.** The term of this lease respecting each item of equipment commences upon whichever of the following dates is earlier:

(a) The date lessor confirms to the seller of said item of equipment the lessee's purchase order for said item or;

(b) The date said item of equipment is delivered to lessee.

The term of this lease ends on the date designated in the schedule.

3. **Rent.** The rent for any and every item of equipment described in the schedule shall be the amount designated in the schedule. Lessee shall pay lessor said rent in advance, in the amounts and at the times set forth in the schedule, at the main office of lessor, in Charlotte, North Carolina, or to such other person and/or at such other place as lessor may from time to time designate in writing.

4. **Use.** Lessee shall cause equipment to be operated by competent employees only, and shall pay all expenses of operation and maintenance of the equipment. Lessee shall use the equipment in a careful and proper manner and shall comply with and conform to all national, state, municipal, police and other laws, ordinances and regulations in anywise relating to the possession, use or maintenance of the equipment. If at any time during the term hereof lessor supplies lessee with labels, plates or other markings, stating that the equipment is owned by lessor, lessee shall affix and keep the same upon a prominent place on the equipment.

5. **Lessee's Inspection; Conclusive Presumptions.** Lessee shall inspect the equipment within forty-eight (48) hours after receipt thereof. Unless lessee within said period of time gives written notice to lessor, specifying any defect in or other proper objection to the equipment, lessee agrees that it shall be conclusively presumed, as between lessor and lessee, that lessee has fully inspected and acknowledged that the equipment is in good condition and repair, and that lessee is satisfied with and has accepted the equipment in such good condition and repair.

6. **Lessor's Inspection.** The equipment shall be located on the premises shown in the schedule. Lessor shall at any and all times during business hours have the right to enter into and upon the premises where the equipment may be located for the purpose of inspecting the same or observing its use. Lessee shall give lessor immediate notice of any attachment or other judicial process affecting any item of equipment and shall, whenever requested by lessor, advise lessor of the exact location of the equipment.

7. **Alterations.** Without the prior written consent of lessor, lessee shall not make any alterations, additions or improvements to the equipment. All additions and improvements of whatsoever kind or nature made to the equipment shall belong to and become the property of lessor upon the expiration, or earlier termination, of this lease.

8. **Repairs.** Lessee, at its own cost and expense, shall keep the equipment in good repair, condition and working order and shall furnish any and all parts, mechanisms and devices required to keep the equipment in good mechanical and working order.

9. **Loss and Damage.** Lessee hereby assumes and shall bear the entire risk of loss and damage to the equipment from any and every cause whatsoever. No loss or damage to the equipment or any part thereof shall impair any obligation of lessee under this lease which shall continue in full force and effect.

10. **Surrender.** Upon the expiration or earlier termination of this lease, with respect to any item of equipment, lessee shall, upon demand by lessor, return the same to lessor in good repair, condition and working order, ordinary wear and tear resulting from proper use thereof alone excepted, in the following manner as may be specified by lessor:

(a) By delivering such item of equipment at lessee's cost and expense to such place as lessor shall specify within the city or county in which the same was delivered to lessee or to which same was moved with the written consent of lessor; or

(b) By loading such item of equipment at lessee's cost and expense on board such carrier as lessor shall specify and shipping the same, freight collect, to the destination designated by lessor.

11. **Insurance.** Lessee shall keep the equipment insured against all risks of loss or damage from every cause whatsoever for not less than the full replacement value thereof as determined by lessor; and shall carry public liability and property damage insurance covering the equipment. All said insurance shall be in form and amount and with companies approved by lessor, and shall be in the joint names of lessor and lessee. Lessee shall pay the premiums therefor and deliver said policies, or duplicates thereof, to lessor. Each insurer shall agree, by endorsement upon the policy or policies issued by it or by independent instrument furnished to lessor, that it will give lessor thirty (30) days written notice before the policy in question shall be altered or cancelled. The proceeds of such insurance, at the option of lessor, shall be applied (a) toward the replacement, restoration or repair of the equipment or (b) toward payment of the obligations of lessee hereunder. Lessee hereby appoints lessor as lessee's attorney-in-fact to make claim for, receive payment of, and execute and endorse all documents, checks or drafts for, loss or damage under any said insurance policy.

12. **Taxes.** Lessee shall keep the equipment free and clear of all levies, liens and encumbrances and shall pay all license fees, registration fees, assessments, charges and taxes (municipal, state and federal) which may now or hereafter be imposed upon the ownership, leasing, renting, sale, possession or use of the equipment, excluding, however, all taxes on or measured by lessor's income.

13. **Lessor's Payment.** In case of failure of lessee to procure or maintain said insurance or to pay said fees, assessments, charges and taxes, all as hereinbefore specified, lessor shall have the right, but shall not be obligated, to effect such insurance, or pay said fees, assessments, charges and taxes, as the case may be. In that event, the cost thereof shall be repayable to lessor with the next installment of rent, and failure to repay the same shall carry with it the same consequence, including interest at the highest lawful contract rate per annum, as failure to pay any installment of rent.

14. **Warranties.** Lessor, not being the manufacturer of the equipment, nor manufacturer's agent, makes no warranty or representation, either express or implied, as to the fitness, quality, design, condition, capacity, suitability, merchantability or performance of the equipment or of the material or workmanship thereof, it being agreed that the equipment is leased "as is" and that all such risks, as between the Lessor and the Lessee, are to be borne by the Lessee at its sole risk and expense. Lessee accordingly agrees not to assert any claim whatsoever against the Lessor based thereon. Lessee further agrees, regardless of cause, not to assert any claim whatsoever against the Lessor for loss of anticipatory profits or consequential damages. No oral agreement, guaranty, promises, condition, representation or warranty shall be binding; all prior conversations, agreements or representations related hereto and/or to said equipment are integrated herein. No modification hereof shall be binding unless in writing signed by Lessor. Lessor is not responsible for any repairs, service or maintenance in the leased equipment or the operations thereof.

15. **Indemnity.** Lessee shall indemnify lessor against, and hold lessor harmless from, any and all claims, actions, suits, proceedings, costs, expenses, damages and liabilities, including attorney's fees, arising out of, connected with, or resulting from the equipment, including without limitation the manufacture, selection, delivery, possession, use, operation or return of the equipment.

16. **Security.** As security for the prompt and full payment of the rent, and the faithful and timely performance of all provisions of this lease, and any extension or renewal thereof, on its part to be performed, lessee has pledged and deposited with lessor the amount set forth in the schedule. In the event any default shall be made in the performance of any of the covenants on the part of lessee herein con-

See reverse side for additional terms and conditions which are a part of this lease.

tained with respect to any item or items of equipment lessor shall have the right, but shall not be obligated, to apply said security to the curing of such default. Any such application by lessor shall not be a defense to any action by lessor arising out of said default; and, upon demand, lessee shall restore said security to the full amount set forth in the schedule. Upon the expiration, or earlier termination, of this lease, or any extension or renewal thereof, provided lessee has paid all of the rent herein called for and fully performed all of the other provisions of this lease on its part to be performed, lessor will return to lessee any then remaining balance of said security.

17. **Default.** If lessee with regard to any item or items of equipment fails to pay any rent or other amount herein provided within ten (10) days after the same is due and payable, or if lessee with regard to any item or items of equipment fails to observe, keep or perform any other provision of this lease required to be observed, kept or performed by lessee or if lessee shall default in payment or performance under any other lease, contract or note obligation owing to lessor, lessor shall have the right to exercise any one or more of the following remedies:

(a). To declare the entire amount of rent hereunder immediately due and payable as to any or all items of equipment, without notice or demand to lessee.

(b) To sue for and recover all rents, and other payments, then accrued or thereafter accruing, with respect to any or all items of equipment.

(c) To take possession of any or all items of equipment, without demand or notice, wherever same may be located, without any court order or other process of law. Lessee hereby waives any and all damages occasioned by such taking of possession. Any said taking of possession shall not constitute a termination of this lease as to any or all items of equipment unless lessor expressly so notifies lessee in writing.

(d) To terminate this lease as to any or all items of equipment.

(e) To pursue any other remedy at law or in equity.

Notwithstanding any said repossession, or any other action which lessor may take, lessee shall be and remain liable for the full performance of all obligations on the part of lessee to be performed under this lease.

All such remedies are cumulative, and may be exercised concurrently or separately.

Upon the occurrence of any event of default, lessor is authorized at any time, without notice or demand to set-off, appropriate and apply against any sums due hereunder and all sums of money held by lessor for lessee (whether on deposit or otherwise) and any and all other goods, instruments, security and property of every nature held for lessee.

18. **Bankruptcy.** Neither this lease nor any interest therein is assignable or transferable by operation of law. If any proceeding under the Bankruptcy Act, as amended, is commenced by or against the lessee, or if the lessee is adjudged insolvent, or if the lessee makes any assignment for the benefit of his creditors, or if a writ of attachment or execution is levied on any item or items of the equipment and is not released or satisfied within ten (10) days thereafter, or if a receiver is appointed in any proceeding or action to which the lessee is a party with authority to take possession or control of any item or items of the equipment, lessor shall have and may exercise any one or more of the remedies set forth in paragraph 17 hereof; and this lease shall, at the option of lessor, without notice, immediately terminate and shall not be treated as an asset of lessee after the exercise of said option.

19. **Concurrent Remedies.** No right or remedy herein conferred upon or reserved to lessor is exclusive of any other right or remedy herein or by law or equity provided or permitted; but each shall be cumulative of every other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise, and may be enforced concurrently therewith or from time to time.

20. **Lessor's Expenses.** Lessee shall pay lessor all costs and expenses, including attorneys' fees, incurred by lessor in exercising any of its rights or remedies hereunder or enforcing any of the terms, conditions, or provisions hereof.

21. **Assignment.** Without the prior written consent of lessor, lessee shall not (a) assign, transfer, pledge or hypothecate this lease, the equipment or any part thereof, or any interest therein or (b) sublet or lend the equipment or any part thereof, or permit the equipment or any part thereof to be used by anyone other than lessee or lessee's employees. Consent to any of the foregoing prohibited acts applies only in the given instance; and is not a consent to any subsequent like act by lessee or any other person.

All rights of lessor hereunder may be assigned, pledged, mortgaged, transferred, or otherwise disposed of, either in whole or in part, without notice to lessee.

22. **Ownership.** The equipment is, and shall at all times be and remain, the sole and exclusive property of lessor; and the lessee shall have no right, title or interest therein or thereto except as expressly set forth in this lease.

23. **Personal Property.** The equipment is, and shall at all times be and remain, personal property notwithstanding that the equipment or any part thereof may now be, or hereafter become, in any manner affixed or attached to, or imbedded in, or permanently resting upon, real property or any building thereon, or attached in any manner to what is permanent as by means of cement, plaster, nails, bolts, screws or otherwise.

24. **Delinquency Fee.** Should lessee fail to pay any part of the rent herein reserved or any other sum required by lessee to be paid to lessor, within ten (10) days after the due date thereof, lessee shall pay unto the lessor a delinquency fee equal to five percent (5%) of the past due rental installment.

25. **Offset.** Lessee hereby waives any and all existing and future claims, and offsets, against any rent or other payments due hereunder; and agrees to pay the rent and other amounts hereunder regardless of any offset or claim which may be asserted by lessee or on its behalf.

26. **Non Waiver.** No covenant or condition of this lease can be waived except by the written consent of lessor. Forbearance or indulgence by lessor in any regard whatsoever shall not constitute a waiver of the covenant or condition to be performed by lessee to which the same may apply, and until complete performance by lessee of said covenant or condition, lessor shall be entitled to invoke any remedy available to lessor under this lease or by law or in equity despite said forbearance or indulgence.

27. **Entire Agreement.** This instrument constitutes the entire agreement between lessor and lessee; is irrevocable and it shall not be amended, altered or changed except by a written agreement signed by the parties hereto.

28. **Notices.** Service of all notices under this agreement shall be sufficient if given personally or mailed to the party involved at its respective address hereinafter set forth, or at such address as such party may provide in writing from time to time. Any such notice mailed to such address shall be effective when deposited in the United States mail, duly addressed and with postage prepaid.

29. **Gender; Number.** Whenever the context of this lease requires, the masculine gender includes the feminine or neuter, and the singular number includes the plural; and whenever the word "lessor" is used herein, it shall include all assignees of lessor. If there is more than one lessee named in this lease, the liability of each shall be joint and several.

30. **Titles.** The titles to the paragraphs of this lease are solely for the convenience of the parties, and are not an aid in the interpretation of the instrument.

31. **Time.** Time is of the essence of this lease and each and all of its provisions.

IN WITNESS WHEREOF the parties hereto have executed these presents the day and year first above written.

LESSOR:

LESSEE:

NCNB LEASING CORPORATION

Aberdeen and Rockfish Railroad Company
Name of Lessee

By James C. Carlisle
Title Senior Vice President
One NCNB Plaza, Charlotte, North Carolina

By William L. Thompson
Title President

By President
Title Post Office Box 917
Address Aberdeen, North Carolina 28315

THIS LEASE CANNOT BE CANCELLED

SCHEDULE TO MASTER LEASE

Schedule No. 9020151001

A. EQUIPMENT LEASED:

Twenty Four (24) 77 Ton 50 ft. 6 in. Rigid Underframe Single Sheathed Box Cars with 10 ft. Sliding Doors. Road #'s AR1025 thru AR1048 inclusive.

B. TERM: Unless sooner terminated as set forth in the lease, the term of this lease respecting each item of equipment listed on this schedule expires on March 20, 1993

C. RENT: As rent for said equipment, lessee shall pay lessor the sum of \$ 1,257,120.00 plus taxes Except as otherwise provided in the lease or in this schedule said rent shall be payable in 180 monthly installments, commencing on April 20, 1978, 1978 as follows:

Sixty (60) Successive Monthly Installments of \$7,680.00 Plus Taxes Commencing On April 20, 1978

Sixty (60) Successive Monthly Installments of \$6,985.00 Plus Taxes Commencing On April 20, 1981

Sixty (60) Successive Monthly Installments of \$6,287.00 Plus Taxes Commencing On April 20, 1981

Unless sooner paid, all said rent shall be payable in any event on or before the expiration or sooner termination of this lease.

On Railroad Trackage Within

D. LOCATION: The above described equipment shall be located at The United States of America and shall not be removed therefrom without the prior written consent of lessor.

E. DEPOSIT: \$ N/A, pursuant to paragraph 16 of the lease of which this schedule is a part.

F. SPECIAL CONDITIONS:

AS PER ATTACHED SCHEDULE "A"

APPROVED AND AGREED TO this 29th day of March, 1978, as a schedule to that certain lease dated the 29th day of March, 1978, by and between the parties hereto, and made a part hereof.

Lessor:

Lessee:

NCNB LEASING CORPORATION

Aberdeen and Rockfish Railroad Company

Name of Lessee

By

Title

James C. Carlisle
Senior Vice President

By

Title

Michael J. Fennell

By

Title

President

Lessee

One NCNB Plaza, Charlotte, North Carolina 28255

(Seal)

P. O. Box 917

Address Aberdeen, North Carolina 28315

SCHEDULE "A"

Page 1 of 1

This schedule is to be attached to and becomes part of Schedule to Master Lease

dated March 29, 19 78, between the undersigned and NCNB Leasing Corporation

Provided all terms and conditions of the lease are being met, lessee shall be entitled to sublease any unit of equipment, but only upon and subject to all the terms and conditions of the lease; provided however, that the lessee shall not assign or permit the assignment of any unit of equipment to service involving regular operation outside the United States of America. At the request of lessor, lessee shall provide lessor with the exact location of any unit of equipment. Upon loss or damage to any unit of equipment, lessee shall promptly pay lessor the loss payment as calculated according to American Association of Railroads Field Manual of the Interchange Rule, as such may be amended from time to time. Lessee shall provide lessor with a written statement as of December 31 of each year, listing any unit of equipment not in service, and summarizing major repairs (other than necessary running repairs and inspections) to all units of equipment.

This schedule is hereby certified correct and undersigned acknowledges receipt of a copy.

Aberdeen and Rockfish Railroad Company Motor

By: William J. Thompson

Its President

And By: _____

Its _____

Tax Indemnification

This Tax Indemnification Agreement, made this 29th day of March, 1978, by and between NCNB Leasing Corporation, a North Carolina corporation ("Lessor") and Aberdeen and Rockfish Railroad Company, a North Carolina corporation, ("Lessee")

Whereas, Lessor has agreed to lease to Lessee, under a lease, dated March 29, 1978 ("Lease"), this Tax Indemnification Agreement being fully incorporated in the Lease as though fully set forth therein, certain equipment and other property, of all which is fully described in the Lease and attached schedule (s) ("Equipment"); and

Whereas, Lessee desires to indemnify Lessor from the disallowance or other loss of certain tax benefits accruing to the ownership of the Equipment.

Now, Therefore, in consideration of these premises and the mutual covenants contained herein, Lessor and Lessee hereby agree as follows:

1. If, for any reason, Lessor is not able to utilize all or any portion of any Federal tax deductions, credits and benefits, which are or could be available to Lessor by reason of its ownership of the Equipment, and which are provided for in the Internal Revenue Code, as amended to date hereof or subsequently ("Code"), Lessee shall pay, in addition to the rental payments provided for in the Lease, such further sum at the time and in the manner provided for in Paragraph 3 below, so that, in the opinion of Lessor, Lessor's net return (after all income taxes) on the Equipment would equal the net return (after all income taxes) Lessor would have obtained if Lessor had been able to utilize all of such deductions, credits or other benefits provided under the Code.

2. Lessee shall also pay to Lessor the amount of any interest and additions to tax which may be assessed against Lessor attributable to the disallowance or other loss of all or any portion of such deductions, credits or other benefits provided under the Code.

3. Upon written notification by Lessor that such deductions, credits or other benefits have not been claimed, or if claimed, have been disallowed, Lessee shall pay such further sum (s) as computed in Paragraph 1, thirty (30) days after receipt of such notice. Failure to pay said amount within the time herein prescribed shall entitle Lessor to exercise any one or more of the remedies provided for in Paragraph 17 of the Lease, or such other remedies as allowed by law or equity. Upon payment by Lessee of the amounts specified herein, Lessor agrees that, at the request and expense of Lessee, it shall take such steps, required by Code and the regulations thereunder, to permit Lessee to claim such deductions, credits or benefits provided under the Code.

4. Lessee agrees that it will not take such action or file such returns inconsistent with Lessor's right to claim the benefits of such deductions, credits and benefits as provided under the Code.

5. Lessee agrees to keep and make available, at Lessor's request, such records as Lessor may require to determine whether Lessor is entitled to said deductions, credits and benefits as provided under the Code.

6. Upon the request of Lessee, Lessor, at Lessee's expense, shall take, with regard to a bona fide claim, such steps as are feasible to sustain the allowance of a claim to such deductions, credits and benefits as provided under the Code.

7. Lessee's obligations hereunder shall survive the expiration or earlier termination of the Lease.

8. This Tax Indemnification Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Lessor and Lessee and to transferee of any title or interest to the Equipment.

In Witness Whereof, the parties hereto have caused their authorized officers to execute this Tax Indemnification Agreement on their behalf, and their respective corporate seals hereto affixed, all on the day and year first above written.

(Corporate Seal)

ATTEST:

Dee C. Russell

(Corporate Seal)

ATTEST:

[Signature]

Aberdeen and Rockfish Railroad Company

By [Signature]

NCNB LEASING CORPORATION

By James C. Carlisle

CERTIFIED COPY OF CORPORATE RESOLUTIONS

Aberdeen and Rockfish Railroad Company

Name of Corporation

I, the undersigned, hereby certify to NCNB Leasing Corporation, Charlotte, North Carolina, that I am the (Assistant) Secretary of ~~Aberdeen and Rockfish Railroad Company~~ a corporation duly organized and existing under the laws of the State of ~~NORTH CAROLINA~~ that the following is a true copy of resolutions duly adopted by the Board of Directors of said Corporation at a meeting duly held on the ~~20th~~ day of ~~March~~, 19 ~~78~~, at which a quorum was present; and acted throughout; and that such resolutions are in full force and effect and have not been amended or rescinded.

1. RESOLVED, that ~~Willard Fennel~~ **Willard Fennel**, President of this Corporation is/are hereby authorized to borrow on account of this Corporation from NCNB Leasing Corporation, Charlotte, N. C., upon such terms as they shall deem desirable, and to make and deliver notes, secured or unsecured, drafts, acceptances, agreements or obligations of this Corporation therefor and for any and all obligations, of this Corporation to said NCNB Leasing Corporation, now or hereafter existing, to pledge or assign and deliver upon such terms as they may deem desirable, stocks, bonds, bills receivable, accounts, merchandise, bills-of-lading, warehouse receipts, mortgages, insurance policies, certificates, negotiable paper, and any other property held by or belonging to this Corporation, with full authority to endorse, assign and guarantee the same on behalf of this Corporation; to discount any bills receivable or any paper held or owned by this Corporation, with full power to endorse the same in the name of this Corporation; and to execute and deliver all instruments required by the said NCNB Leasing Corporation in connection with any of the foregoing; and,
2. FURTHER RESOLVED, THAT NCNB Leasing Corporation be and it hereby is authorized to honor, receive, certify, or pay all instruments signed in accordance with the foregoing resolution even though drawn or endorsed to the order of any officer or employee signing the same or tendered by him for cashing, or in payment of the individual obligation of such officer or employee, or for deposit to his personal account, and NCNB Leasing Corporation shall not be required or be under any obligation to inquire as to the circumstances of the issuance or use of any instrument signed in accordance with the foregoing resolutions, or the application or disposition of such instrument or the proceeds thereof; and,
3. FURTHER RESOLVED, that any of those named in paragraph "1" above are hereby authorized to negotiate and enter into on behalf of the Corporation any agreement for the Lease of personal property by the Corporation from NCNB Leasing Corporation upon such terms and conditions as the officers, in their discretion, may deem to be in the best interest of the Corporation, and to execute all documents and take other action on behalf of the Corporation as may be necessary or convenient to effectuate and comply with such agreement.
4. FURTHER RESOLVED, that the Secretary or Assistant Secretary of this Corporation shall certify to NCNB Leasing Corporation the names of the persons who are at present authorized to act on behalf of this Corporation under the foregoing resolutions and shall from time to time hereafter, as changes in the personnel of said officers and employees are made, immediately certify such changes to NCNB Leasing Corporation, and NCNB Leasing Corporation shall be fully protected in relying on such certifications of the Secretary or Assistant Secretary and shall be indemnified and held harmless from any claims, demands, expenses, loss, or damage resulting from, or growing out of, honoring the signature of any officer or employee so certified, or refusing to honor any signature not so certified; and,
5. FURTHER RESOLVED, that the foregoing resolutions shall remain in full force and effect until written notice of their amendment or rescission shall have been received by NCNB Leasing Corporation, and that receipt of such notice shall not affect any action taken by NCNB Leasing Corporation prior thereto; and,
6. FURTHER RESOLVED, that all transactions by any of the officers or employees of this Corporation on its behalf, and in its name, with NCNB Leasing Corporation prior to the delivery to NCNB Leasing Corporation of a certified copy of the foregoing resolutions are, in all respects, hereby ratified, confirmed, approved and adopted; and,
7. FURTHER RESOLVED, that the Secretary or Assistant Secretary be, and he hereby is, authorized and directed to certify these resolutions to NCNB Leasing Corporation and that the provisions thereof are in conformity with the Charter and By-Laws of this Corporation.

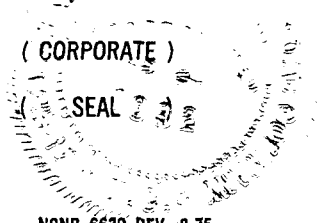
I further certify that the following are the names of the present officers of this Corporation:

NAME	TITLE
Willard Fennel	President
Robert Vessey	Vice President
W. F. Millard	Vice President-Traffic
C. C. Monroe	Vice President-Eng. Constr., Roadway & Equipment
Don C. Russell	Secretary
Jeanita Baker	Treasurer

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this Corporation, this ~~20th~~ day of ~~March~~, 19 ~~78~~.

Don C. Russell

(Assistant) Secretary



STATE OF NORTH CAROLINA)
CITY OF Charlotte) ss.
COUNTY OF Mecklenburg)

On this 29th day of March, 1978, before me personally
appeared Willard Formyduval, to me personally known,
whom, being by me duly sworn, says that he is President
of Aberdeen and Rockfish Railroad Company

that one of the seals affixed to the foregoing instrument is the corporate seal of the said corporation and that the said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

My commission expires:

My Commission Expires August 1, 1978

Brenda Gregory
(Notary Public)

(Notary Seal)



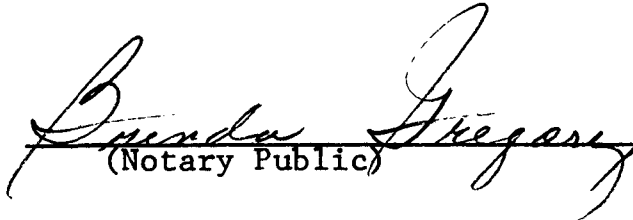
STATE OF NORTH CAROLINA)
CITY OF Charlotte) ss.
COUNTY OF Mecklenburg)

On this 29th day of March, 1978, before me personally
appeared James C. Carlisle, to me personally known,
whom, being by me duly sworn, says that he is Senior
Vice President of NCNB Leasing Corporation

that one of the seals affixed to the foregoing instrument is the
corporate seal of the said corporation and that the said instrument
was signed and sealed on behalf of said corporation by authority
of its Board of Directors and he acknowledged that the execution
of the foregoing instrument was the free act and deed of said
corporation.

My commission expires:

My Commission Expires Aug 11, 1978


(Notary Public)

(Notary Seal)

Indemnification and Installation Certificate

To: NCNB Leasing Corporation

Reference is made to the Agreement(s) dated March 29, 1978 between the undersigned and NCNB Leasing Corporation calling for 180 (One Hundred Eighty) monthly payments in the amount of *See Below each. We are pleased to confirm to you as follows:

1. All of the equipment described in the above Agreement(s) has been delivered to and received by the undersigned; that all installation or other work necessary prior to the use thereof has been completed; that said equipment has been examined and/or tested and is in good operating order and condition and is in all respects satisfactory to the undersigned and as represented, and that said equipment has been accepted by the undersigned and complies with all terms of the above Agreements. Consequently, you are hereby authorized to pay for the leased equipment in accordance with the terms of any purchase orders for the same.
2. In the future, in the event that said equipment fails to perform as expected or represented we will continue to honor the above Agreement(s) by continuing to make our monthly payments in the normal course of business and we will look solely to the selier or manufacturer for the performance of all covenants and warranties. In addition, we indemnify NCNB Leasing Corporation and hold them harmless from any nonperformance of the aforementioned equipment.
3. We acknowledge that NCNB Leasing Corporation is neither the manufacturer, distributor or seller of the equipment and has no control, knowledge or familiarity with the condition, capacity, functioning or other characteristics of the equipment.

This certificate shall not be considered to alter, construe, or amend the terms of the aforesaid Agreement(s).

Dated this 29th day of March, 1978.

* Sixty (60) Successive Monthly Installments of \$7,680.00 Plus Taxes
Sixty (60) Successive Monthly Installments of \$6,985.00 Plus Taxes
Sixty (60) Successive Monthly Installments of \$6,287.00 Plus Taxes

M. L. Shiver
Witness

Aberdeen and Rockfish Railroad Company
(Signature of individual or name of corporation or partnership)

By William Thompson

Title President